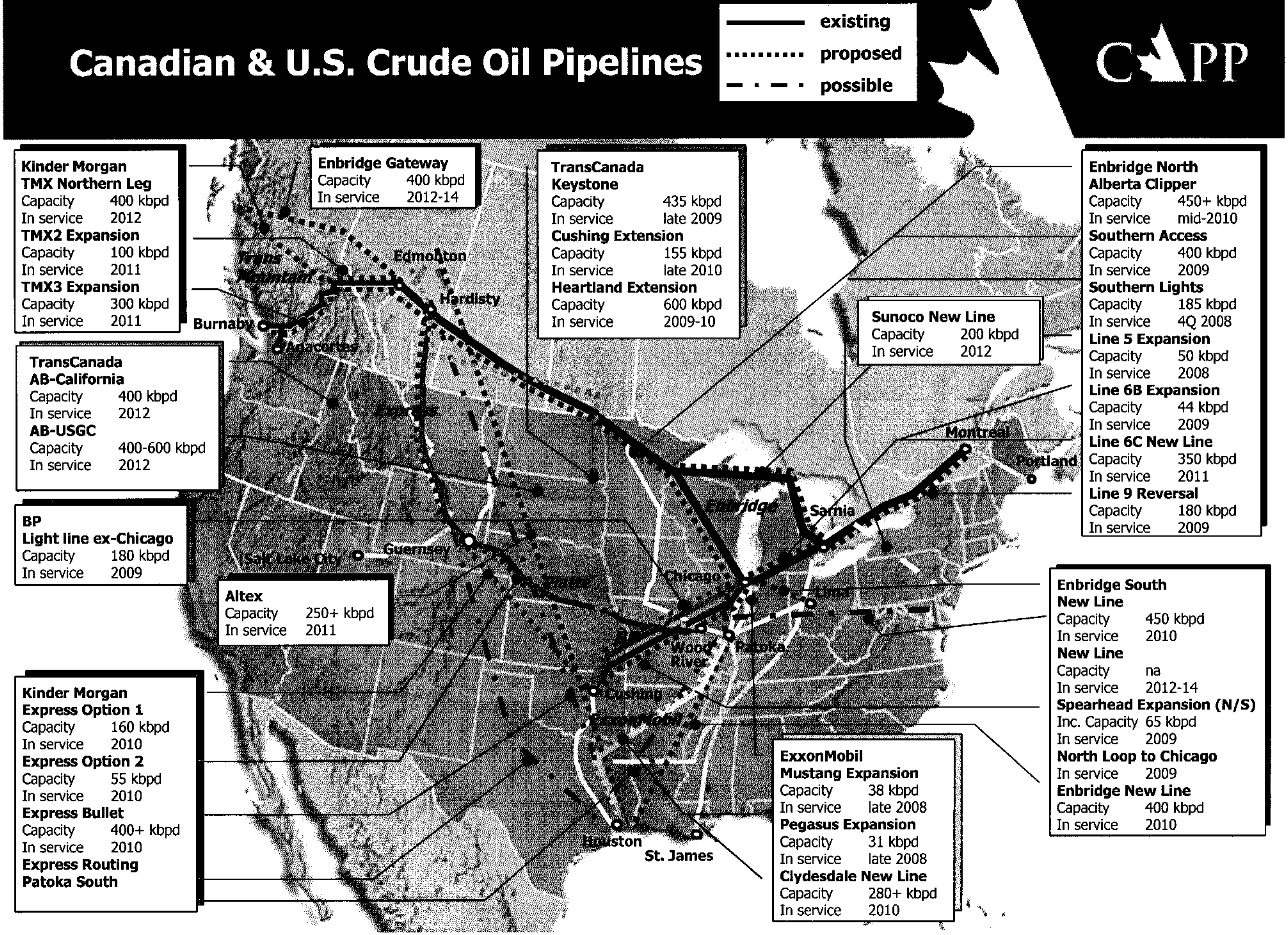
Canadian & U.S. Crude Oil Pipelines



Profile of ExxonMobil

Oil Wars and Oil War News
Oil Spills
Oil Industry: Information Resources
Energy & Transportation Subsidies

compiled by George Draffan - Endgame.org

ExxonMobil headquaters
5959 Las Colinas Blvd
Irving TX 75039
telephone 214-444-1000

Exxon International
200 Park Ave
Florham Park NJ 07932
telephone 201-765-7000

Exxon Chemical
13501 Katy Fwy
Houston TX 77079
telephone 800-231-6633

Exxon Coal & Minerals
2401 S Gessner
Houston TX 77063
telephone 713-978-5333

Note: data are current as of each entry.

History

Begun by Rockefeller as part of the Standard Oil Trust. As Standard Oil of New Jersey (Esso, for "S.O."), it expanded into South America in the 1920s; joined the 1928 agreement reserving Middle Eastern oil for a few companies; bought a third of ARAMCO (Arabian American Oil Co.) in 1948.

Renamed itself Exxon in 1972; Esso is now a subsidiary (and often the name used in foreign operations).

In 1999, Exxon (Standard Oil of New Jersey) merged with Mobil (formerly Standard Oil of New York) to become Exxon Mobil, the world's largest oil company.

Board of Directors **as of April 2004**	**Interlocks**
Michael J. Boskin Director since 1996	Hoover Institution, Stanford University American Enterprise Institute National Bureau of Economic Research. First Health Group Corp Oracle Corp Vodafone Group PLC Commerce Department, Advisory Committee on the National Income and Product Accounts Panel of Advisors to the Congressional Budget Office
James R. Houghton Director since 1994	Chairman and CEO, Corning Inc MetLife, Inc Corning Museum of Glass Metropolitan Museum of Art Pierpont Morgan Library Business Council Council on Foreign Relations Harvard Corporation
William R. Howell Director since 1982	Chairman Emeritus, J.C. Penney Co American Electric Power Co Halliburton Co Pfizer Inc The Williams Companies Deutsche Bank Trust Viseon, Inc
Reatha Clark King Director since 1997	General Mills Foundation York College City University of New York Metropolitan State University

	Minnesota Mutual Companies, Inc Wells Fargo & Company Department 56, Inc International Trachoma Initiative Clark Atlanta University Congressional Black Caucus Foundation University of Chicago
Philip E. Lippincott Director since 1986	Scott Paper Company Campbell Soup Company Fox Chase Cancer Center Penn Mutual Life Insurance Company Business Council
Harry J. Longwell Director since 1995	Imperial Oil Limited Esso Europe Inc University of Dallas University of Texas M.D. Anderson Cancer Center Dallas Area Habitat for Humanity
Henry A. McKinnell, Jr. Director since 2002	Chairman and CEO, Pfizer Inc Stanford Grad School of Business Adv Cncl Moody's Corporation John Wiley & Sons, Inc Business Council Chairman, The Business Roundtable New York Academy of Medicine M.I.T. Corporation New York City Public Library New York City Police Foundation
Marilyn Carlson Nelson Director since 1991	Chairman and CEO, Carlson Companies Mayo Clinic Foundation National Women's Business Council Travel Industry Association of America International Business Council of the World Economic Forum World Travel and Tourism Council Curtis L. Carlson School of Management, University of Minnesota
Lee R. Raymond Director since 1984	Chairman and CEO, Exxon Mobil Creole Petroleum Corporation Exxon Enterprises Esso Inter-America J.P. Morgan Chase United Negro College Fund American Petroleum Institute American Enterprise Institute Wisconsin Alumni Research Foundation The Business Council The Business Roundtable Council on Foreign Relations Emergency Committee for American Trade National Academy of Engineering National Petroleum Council President's Export Council Energy Advisory Board Singapore-U.S. Business Council The Trilateral Commission University of Wisconsin Foundation
Walter V. Shipley	Chase Manhattan Bank Verizon Communications Wyeth Goodwill Industries of Greater New York The Wallace Foundation American Museum of Natural History American Academy of Arts & Sciences The Business Council

Rex W. Tillerson Director since 2004	President, Exxon Mobil Exxon Yemen Inc Esso Exploration and Production Khorat Inc Exxon Ventures (CIS) Inc Exxon Neftegas Limited ExxonMobil Development Company U.S.-Russia Business Council. Member Engineering Foundation Advisory Council for the University of Texas at Austin Society of Petroleum Engineers American Petroleum Institute Executive Board of the Circle Ten Council, Boy Scouts of America.

Exxon Chairman Got Retirement Package Worth at Least $398 Million By Jad Mouawad. New York Times, April 13, 2006

Last year's high oil prices not only helped Exxon Mobil report $36 billion in profit — the most ever for any corporation — they also allowed Lee R. Raymond to retire in style as chairman of Exxon Mobil.

Mr. Raymond received a compensation package worth about $140 million last year, including cash, stock, options and a pension plan. He is also still entitled to stock, options and long-term compensation worth at least another $258 million, according to a proxy statement filed by Exxon with the Securities and Exchange Commission yesterday.

The total sum for Mr. Raymond's golden years comes to at least $398 million, among the richest compensation packages ever. The record was the payout of $550 million to Michael D. Eisner, the former head of Walt Disney, in 1997.

Exxon's board also agreed to pick up Mr. Raymond's country club fees, allow him to use the company aircraft and pay him another $1 million to stay on as a consultant for another year. Mr. Raymond agreed to reimburse Exxon partly when he uses the company jet for personal travel. "It begs the old question again, When is enough, enough?" said Brian Foley, an executive compensation consultant in White Plains. "This looks like a spigot that you can't turn off."

Mr. Raymond, 67, spent 43 years at Exxon, including 12 as chairman. He orchestrated the merger between Exxon and Mobil in 1999, making it the largest oil company in the world as well as the most profitable. He was widely recognized for his financial acumen and focus on cost-cutting, whether in good times or bad. Some of the company's recent success, of course, can also be attributed to the doubling of oil prices over the last two years, higher refining margins and record high demand.

While Exxon showed record earnings, the total return to shareholders over the last five years averaged just under 8 percent a year, about the same as the industry average.

"The numbers reflect the long-term nature of Mr. Raymond's leadership at the corporation, and a long and distinguished career," Mark Boudreaux, a spokesman for Exxon, said. "The compensation committee considered his performance and the fact he guided the company to industry-leading earnings for multiple years."

Exxon's proxy filing also showed that Rex W. Tillerson, the current chairman and chief executive, received $13.4 million in 2005, about a third more than what he got the previous year. That includes $1.67 million in salary; a $1.25 million bonus, restricted shares worth $8.75 million, and an incentive payout of $1.73 million. He also realized $2.3 million by exercising stock options he held.

Mr. Raymond owns 3.26 million restricted shares worth a total $183 million as of December 31.

Those shares produced a separate windfall of $3.1 million in cash dividends. Mr. Raymond also owns 4.15 million options that hold a potential value of $69.6 million.

Upon retiring at the end of last year, Mr. Raymond opted to collect his pension benefits as a one-time lump sum instead of receiving annuities. That amounted to $98.4 million.

The company also paid $210,800 for Mr. Raymond's country club fees, financial planning and tax assistance services. It also provided two years of protection for Mr. Raymond and his wife, including paying for a security system for his principal residence, security personnel, a car and a driver.

###

ExxonMobil Subsidiaries **as of Dec 31, 2002**	**% Owned Directly or Indirectly by ExxonMobil**	**State or Country of Organization**
Aera Energy LLC	48.2	California
Al-Jubail Petrochemical Company	50	Saudi Arabia
Ampolex (CEPU) Pte Ltd	100	Singapore
Ancon Insurance Company, Inc.	100	Vermont
BEB Erdgas und Erdoel GmbH	50	Germany
Cameroon Oil Transportation Company S.A.	49.46	Cameroon
Caspian Pipeline Consortium	7.5	Russia/Kazakhstan
Castle Peak Power Company Limited	60	Hong Kong
Chalmette Refining, LLC	50	Delaware
CMD Partnership, L.P.	100	Delaware

Delhi Petroleum Pty. Ltd.	100	Australia
Esso Australia Resources Pty Ltd	100	Australia
Esso Austria GmbH	100	Austria
Esso Brasileira de Petroleo Limitada	100	Brazil
Esso Capital B.V.	100	Netherlands
Esso Chile Petrolera Limitada	100	Chile
ESSO Deutschland GmbH	100	Germany
Esso Espanola, S. L.	100	Spain
Esso Exploration and Production Angola (Block 33) Limited	100	Bahamas
Esso Exploration and Production Chad Inc.	100	Delaware
Esso Exploration and Production Nigeria (Deepwater) Limited	100	Nigeria
Esso Exploration and Production Nigeria Limited	100	Nigeria
Esso Exploration and Production Norway AS	100	Norway
Esso Exploration and Production UK Limited	100	England
Esso Exploration Angola (Block 15) Limited	100	Bahamas
Esso Exploration Angola (Block 17) Limited	100	Bahamas
Esso Holding Company Singapore Limited	100	Bahamas
Esso Ireland Limited	100	Ireland
Esso Italiana S.r.l.	100	Italy
Esso Malaysia Berhad	65	Malaysia
Esso Natuna Ltd.	100	Bahamas
Esso Nederland B.V.	100	Netherlands
Esso Norge AS	100	Norway
Esso Petrolera Argentina Sociedad de Responsabilidad Limitada	100	Argentina
Esso Petroleum Company, Limited	100	England
Esso Pipeline Investments Limited	100	Bahamas
Esso Schweiz GmbH	100	Switzerland
Esso Societe Anonyme Francaise	81.548	France
Esso Standard Oil Company (Puerto Rico)	100	Puerto Rico
Esso (Thailand) Public Company Limited	87.5	Thailand
Esso Trading Company of Abu Dhabi	100	Delaware
Exxon Azerbaijan Limited	100	Bahamas
Exxon Capital Corporation	100	New Jersey
Exxon Chemical Arabia Inc.	100	Delaware
Exxon Chemical Asset Management Partnership	87.75	Delaware
Exxon Luxembourg Holdings LLC	100	Delaware
Exxon Mobile Bay Limited Partnership	88.69	Delaware

Exxon Neftegas Limited	100	Bahamas
Exxon Overseas Corporation	100	Delaware
Exxon Overseas Investment Corporation	100	Delaware
Exxon Yemen Inc.	100	Delaware
ExxonMobil Alaska Production Inc.	100	Delaware
ExxonMobil Asia Pacific Pte. Ltd.	100	Singapore
ExxonMobil Aviation International Limited	100	England
ExxonMobil Canada Ltd.	100	Canada
ExxonMobil Central Europe Holding GmbH	100	Germany
ExxonMobil Chemical Films Europe, Inc.	100	Delaware
ExxonMobil Chemical France S.A.R.L.	99.77	France
ExxonMobil Chemical Holland B.V.	100	Netherlands
ExxonMobil Chemical Holland LLC	100	Delaware
ExxonMobil Chemical Limited	100	England
ExxonMobil Chemical Olefins Inc.	100	Delaware
ExxonMobil Chemical Operations Private Limited	100	Singapore
ExxonMobil Chemical Polymeres SNC	99.77	France
ExxonMobil de Colombia S.A.	99.03	Colombia
ExxonMobil Egypt (S.A.E.)	100	Egypt
ExxonMobil Energy Limited	100	Hong Kong
ExxonMobil Exploration and Production Malaysia Inc.	100	Delaware
ExxonMobil Far East Holdings Ltd.	100	Bahamas
ExxonMobil Finance B.V.	100	Netherlands
ExxonMobil Gas Marketing Europe Limited	100	England
ExxonMobil Global Services Company	100	Delaware
ExxonMobil Holding Company Holland LLC	100	Delaware
ExxonMobil Hong Kong Limited	100	Hong Kong
ExxonMobil International Holdings Inc.	100	Delaware
ExxonMobil International Services, SARL	100	Luxembourg
ExxonMobil Kazakhstan Inc.	100	Bahamas
ExxonMobil Kazakhstan Ventures Inc.	100	Delaware
ExxonMobil Luxembourg UK, SARL	100	Luxembourg
ExxonMobil Malaysia Sdn Bhd	100	Malaysia
ExxonMobil Marine Limited	100	England
ExxonMobil Mediterranea S.R.L.	100	Italy
ExxonMobil Oil Corporation	100	New York
ExxonMobil Oil Indonesia Inc.	100	Delaware
ExxonMobil Petroleum & Chemical	100	Belgium

ExxonMobil Pipeline Company	100	Delaware
ExxonMobil Qatargas Inc.	100	Delaware
ExxonMobil Rasgas Inc.	100	Delaware
ExxonMobil Sales and Supply Corporation	100	Delaware
ExxonMobil Yugen Kaisha	100	Japan
Fina Antwerp Olefins N.V.	35	Belgium
Imperial Oil Limited	69.6	Canada
Infineum USA L.P.	50	Delaware
Kyokuto Sekiyu Kogyo Kabushiki Kaisha	50	Japan
Mineraloelraffinerie Oberrhein GmbH & Co. KG	25	Germany
Mobil Argentina S.A.	100	Argentina
Mobil Australia Resources Company Pty Limited	100	Australia
Mobil California Exploration & Producing Asset Company	100	Delaware
Mobil Caspian Pipeline Company	100	Delaware
Mobil Cerro Negro, Ltd.	100	Bahamas
Mobil Corporation	100	Delaware
Mobil Equatorial Guinea Inc.	100	Delaware
Mobil Erdgas-Erdoel GmbH	99.999	Germany
Mobil Exploration and Development Argentina Inc.	100	Delaware
Mobil Exploration & Producing Australia Pty Ltd	100	Australia
Mobil Exploration and Producing North America Inc.	100	Nevada
Mobil Exploration Indonesia Inc.	100	Delaware
Mobil Exploration Norway Inc.	100	Delaware
Mobil Fairfax Inc.	100	Delaware
Mobil International Finance Corporation	100	Delaware
Mobil North Sea Limited	100	Delaware
Mobil Oil Australia Pty Ltd	100	Australia
Mobil Oil Exploration & Producing Southeast Inc.	100	Delaware
Mobil Oil Francaise	99.986	France
Mobil Oil New Zealand Limited	100	New Zealand
Mobil Oil Nigeria Public Limited Company	60	Nigeria
Mobil Pase Inc.	100	Delaware
Mobil Producing Nigeria Unlimited	100	Nigeria
Mobil Producing Texas & New Mexico Inc.	100	Delaware
Mobil Refining Australia Pty Ltd	100	Australia
Mobil Yanbu Petrochemical Company Inc.	100	Delaware
Mobil Yanbu Refining Company Inc.	100	Delaware
Nansei Sekiyu Kabushiki Kaisha	43.77	Japan

Nederlandse Aardolie Maatschappij B.V.	50	Netherlands
oy Esso ab	100	Finland
Paxon Polymer Company, L.P. II	92.84	Delaware
Qatar Liquefied Gas Company Limited	10	Qatar
Ras Laffan Liquefied Natural Gas Company Limited	26.5	Qatar
Ras Laffan Liquefied Natural Gas Company Limited (II)	29.999	Qatar
Saudi Aramco Mobil Refinery Company Ltd.	50	Saudi Arabia
Saudi Yanbu Petrochemical Co.	50	Saudi Arabia
Schubert Beteiligungs-GmbH	72.999	Germany
SeaRiver Maritime Financial Holdings, Inc.	100	Delaware
SeaRiver Maritime, Inc.	100	Delaware
Societa per Azioni Raffineria Padana Olii Minerali-SARPOM	74.21	Italy
Standard Marine Tonsberg AS	100	Norway
Superior Oil (U.K.) Limited	100	England
Tengizchevroil	25	Kazakhstan
TonenGeneral Sekiyu K.K.	50.021	Japan
Tonen Kagaku K.K.	50.021	Japan

Assets (before merger with Mobil)

Australia: 7.7 million acres onshore; 2.7 million acres offshore.

Canada: Cold Lake and Athabasca oil sands; 21-year leases (1989-2010). Exxon's Canadian operations are conducted by Imperial Oil, which is 69.6 percent owned by Exxon. Imperial owns a quarter of the Syncrude plant in northern Alberta.

Colombia: 400,000 acres.

Egypt: 100,000 acres in two areas.

France: 1.9 million acres held.

Germany: 6.6 million acres; Achim-Salzwedel gas pipeline linking western and eastern Germany.

Indonesia: 1.5 million acres onshore; 2 million acres offshore.

Malaysia: 4.8 million acres offshore peninsular Malaysia; Jerneh, Seligi, and Tabu fields.

Netherlands: 2.6 million acres licensed, including the Groningen, one of the world's largest natural gas fields, and the NOGAT, F3-Fb, and L15-FA offshore fields.

Norway: 700,000 acres; Snorre, Sleipner, Brage, Tordis, and Statfjord fields.

Thailand: 600,000 acres in the Khorat concession.

United Kingdom: 1.7 million acres licensed, including the Gannet, Nelson, Strathspey, Hudson, and Galleon fields.

Yemen: 900,000 acres; Alif, Asa'ad Al-Kamil, and Al-Raja fields.

Exxon's proven oil and mineral reserves (at the end of 1992):

6.478 billion barrels of crude oil and natural gas liquids

6.805 billion barrels of oil sands

41.413 trillion cubic feet of natural gas

Exxon's recoverable mineral reserves (at the end of 1989):

8.376 billion metric tons of coal (36 million were produced)

12.691 million metric tons of copper (119,000 tons were produced)

3.835 million metric tons of zinc (13,000 tons were produced)

Sources of exploration, production, and reserves data: *Exxon 1992 Form 10-K* filed with the U.S. Securities & Exchange Commission (p.4-10 and p.F24-F25); except for coal and minerals data, which is from *Exxon 1989 Annual Report* (p.18).

Mining

Exxon has a fifty percent interest in El Cerrejon surface coal mine at Guajira in northern Colombia, "the world's largest export coal mine" according to the company. About 85 percent of the Cerrejon coal is sold in Europe (*Exxon 1988 Annual Report*, p.15, and *1992 Annual Report*, p.19). Exxon Coal and Minerals Co. subsidiary Intercor manages the El Cerrejon. In May 1990, the Colombian army occupied the mine after 3800 workers walked off the job. The United Mine Workers of America made contributions to the Colombian miners during the strike. The mine is in an undeveloped area and workers live in Intercor housing. Ore is transported on a 140-kilometer railway through the land of the indigenous Wayhu people ("Exxon Crushes Colombian Strike" by Robert Weissman in *Multinational Monitor*, May 1990, p. 8-9; and David Webster, Sept. 24, 1992, Econet cdp:gen.nativenet "The Activist 8#10, October 1992").

By Country

(as of date of each entry)

Australia: In 1989, Exxon expanded its coal mining operations in Australia; Exxon now owns the Lemington underground and Ulan surface coal mines in New South Wales. Exxon also has a 35 percent interest in the Golden Grove zinc mine in western Australia, which began operations in 1990 (*Exxon 1989 Annual Report*, p.18; *1990 Annual Report*, p.25; and *1991 Annual Report*, p.27).

Canada: Exxon subsidiary Imperial Oil decided to sell its Byron Creek coal mine in southeastern British Columbia, Canada (*Exxon 1990 Annual Report*, p.25).

Was on the Council on Economic Priorities' 1995 Worst Polluters List; largest total volume of spilled hazardous material 1990-1994.

Chad-Cameroon: In 1996, Exxon, Royal Dutch Shell, and Elf Aquitaine began the $3 billion Doba Basin pipeline project to move crude oil from southern Chad to a port in Cameroon. Exxon and Shell each held a 40 percent interest in the Doba plan. Elf held the remaining 20 percent. In November 1999, Shell and Elf Aquitaine announced they were backing out of the project, but Exxon and the World Bank reaffirmed their commitment to the project. The project would develop 300 oil wells near Doba to bring onstream in 2001 between 200,000 and 250,000 barrels of oil per day, with an estimated yield of 900 million barrels over 15 to 20 years. The oil would be shipped via a 650-mile (1,050 km) pipeline to a new terminal at the Cameroon port of Kribi (Andrew Callus, Chad Oil Dream Fades as Shell, Elf Quit Doba, Reuters, Nov.10, 1999).

Chile: Exxon's copper mining investments in Chile include the El Soldado underground mine and the Los Bronces open pit copper mines, which are run by Exxon's Compania Minera Disputada. Exxon invested in a $400 million expansion of Los Bronces in 1989-1992, and earlier expanded El Soldado (*Exxon 1989 Annual report*, p.18; *1990 Annual Report*, p.24-25; and *1992 Annual Report*, p.19); and the Chagres copper smelter, which is undergoing a $176 million expansion (*Exxon 1992 Annual Report*, p.19). See also William R. Long's article for the *Los Angeles Times*, printed in the *Seattle Times*, Jan 26, 1992, p.A12).

In 2002 Exxon announced the sale of its Disputada de Las Condes copper mine in Chile. The mine was purchased in 1978 for US$100 million, and sold recently for more than US$300 million. "And [Exxon] never paid any taxes during all that time, supposedly because of the repeated paper loses shown by the business. This exposes to the world a practice that has allowed the exploitation of our national resources, without a penny begin paid to the State of Chile for the use of our national patrimony. When the business was sold, a laughable US$40 million was paid in taxes as a result of the transaction." (from A Retrospective by Terram Foundation director Marcel Claude, published in *La Nacion*, http://www.santiagotimes.cl).

Ecuador: Oil exploration in Ecuador (*The Ecologist* 19(6):219-224 (1989).

Guatemala: Apparently abandoned plans to drill for oil near the Ceibal archaeological site in central Guatemala when Culture Ministry workers prevented entry into the area (*Oil & Gas Journal*, Aug. 28, 1989, p. 32; *Multinational Monitor*, Jan/Feb 1991, p. 12). Wells were planned within the 2000-acre El Ceibal park in Peten; Exxon and the Guatemalan Ministry of Energy and Mines (which stood to receive $100 million in oil revenues) suspended a $40 million contract (*The Nation*, Nov. 6, 1989, p. 521-524).

Hong Kong: Exxon operates Hong Kong Power, "through a 60 percent interest in electric power stations serving Kowloon and the New Territories ... The highest-capacity power station in the group, Castle Peak, ranks as the largest coal-fired power station in Asia and one of the largest in the world"; China Power & Light Company, Ltd. owns the remaining 40 percent interest. In 1990 a 40-year contract was signed to obtain energy from a hydroelectric project outside in Guangzhou in Guangdong Province, China (*Exxon 1990 Annual Report*, p.24-25). Exxon, Hong Kong, and the government of China are negotiating agreements fro Exxon to continue operating after Hong Kong returns to China (*Exxon 1992 Annual Report*, p.19).

Indonesia: Govt denies U.S. pressured for Cepu deal. The Jakarta Post, March 15, 2006

Ministers scrambled Tuesday to deny suspicions about the timing of the agreement between state oil and gas firm PT Pertamina and U.S. oil giant ExxonMobil Corp., contending it was not due to pressure from the U.S. government and that the deal would benefit the country.

"I swear no one put pressure (on the government) regarding this issue," said State Minister of State Enterprises Sugiharto.

"It has nothing to do with that," he added, responding to allegations the agreement, made Monday on the eve of U.S. Secretary of State Condoleezza Rice's visit to Jakarta, was a "gift" to Washington.

The deal ended the prolonged four-year dispute between Pertamina and ExxonMobil over the operatorship of the rich Cepu oil block.

Under the agreement, expected to be officially signed Wednesday, Pertamina and ExxonMobil agreed to form a joint-operating organization for the day-to-day operation of the Cepu block. ExxonMobil was given the main post of general manager, while Pertamina was made deputy general manager.

Several legislators said the deal would cause losses to the state and was a blow to Pertamina, whose previous management had insisted on the operatorship role. The agreement came a week after the government reshuffled the top management of Pertamina.

Sugiharto said the agreement would ensure the interests of the state, pointing out that although ExxonMobil held the general manager post, it would be supervised by a joint operating committee chaired by Pertamina.

The committee will be in charge of making key decisions, approving budgets and supervising operations, he said.

Energy and Mineral Resources Minister Purnomo Yusgiantoro said the decision was a business-to-business deal of the companies, and was made without intervention from the government.

Newly installed Pertamina president Ari Soemarno also said the decision had nothing to do with the arrival of Rice.

"The negotiation has taken so long, almost five years," Ari told reporters. "Our team has met about 31 times this year only. The decision was taken on a business-to-business basis without government interference."

The Cepu block, located on the border between East Java and Central Java, is estimated to have oil reserves of about 500 million barrels. It is expected to start commercial production in 2008, and could have daily output of 165,000 barrels per day, or around 20 percent of the country's oil output.

Its development is seen as crucial to help reverse the country's declining oil production.

"I see this as a business-to-business deal that is beneficial to both sides," Kurtubi, an oil and gas analyst with the Center for Petroleum and Energy Economic Studies, told Agence France-Presse.

"This decision has ended a long dragged out deadlock and will clearly carry a positive impact on the investment climate here, especially in the oil and gas sector."

Agusman Effendy, a lawmaker of the Golkar Party, also supported the deal.

"Most important is that the Cepu block can produce as soon as possible, we should not lose the momentum," said the chairman of the House Energy Commission.

Another commission member, Tjatur Sapto, attacked the deal.

"We'll take every means, including legal and political measures, to fight the decision," Tjatur of the National Mandate Party faction said.

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Indonesia: Political elite told not to fan protests. By Anissa S. Febrina, The Jakarta Post, March 23, 2006

The Indonesian Chamber of Commerce and Industry (Kadin) has warned the political elite against stirring up protests directed at foreign companies' mining operations, with jittery investors watching from the sidelines.

"There should be no provocative approach anymore against mining operations," M.S. Hidayat said Wednesday in reference to a rash of attacks and protests against foreign companies. "We should all try to create a conducive investment climate in order to further improve the economic condition."

Speaking at a Kadin press conference, Hidayat said the local communities' resentment of mining operations, which are mostly controlled by foreign investors, could be fueled by an inadequate contribution provided by the companies for local development, which is the argument of human rights groups.

If that were the case, he added, the discontent could be resolved through negotiation, such as by reviewing the existing mining contracts to ensure that local people receive more financial benefits from their operation.

Protests against American companies' interests have spiraled into violence in recent weeks, including against ExxonMobil Corp., Newmont Mining Corp. and Freeport-McMoRan Copper & Gold Inc., with damage to property and the loss of at least five lives.

National Intelligence Agency head Syamsir Siregar indicated there were political moves behind the allegedly orchestrated protests, but he did not elaborate.

Kadin's deputy chairman for international cooperation John Prasetyo said many foreign executives also believed the unrest stemmed from conflicts among the country's political elite.

"We have to deal with the root of the problem -- is it lack of community development or a mistake during the history of the contract negotiations?" he added.

Hidayat said demanding closure of the company's operations here sent the negative message to foreign investors that Indonesia lacked legal certainty.

National Economic Recovery Committee head Sofjan Wanandi said the protests would deter the crucial investment needed to boost growth and create more jobs.

"We still lack competitiveness in the manufacturing sector. As we still rely on the mining and agricultural sector to attract foreign investment, such destructive protests should be avoided," he said.

According to data from business consultant PriceWaterhouse Coopers, the mining sector contributed US$1.6 billion in taxes, and employed more than 37,000 workers, in 2004.

During the same period, the companies allocated Rp 466 billion for community development and $66 million for reclamation projects.

The chairman of House Commission VII on mining, energy and the environment, Agusman Effendi, said public discontent should be resolved by accommodating the people's demands in the proposed mining law, now being deliberated by the House.

"All input, be it on required community development programs, local ownership of shares as well as divestment issues, could be regulated through the law."

Agusman said all recommendations would be considered before the bill was passed into law.

"I am sure all the politicians have their own representatives on the commission, so they should speak out in the discussions."

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Iraq: "Exxon Mobil Corp., ChevronTexaco Corp. and Valero Energy Corp. confirmed Friday that they had been subpoenaed for records related to a United Nations oil-for-food program in Iraq. The U.S. attorney for the Southern District of New York is investigating alleged improprieties in the program. A spokeswoman for Exxon Mobil said the subpoena covered only documents related to the program and did not accuse the Irving, Texas-based oil giant of wrongdoing. "We are in receipt of the subpoena, and we are responding accordingly," Prem Nair said. Exxon Mobil declined to say when it received the subpoena. At ChevronTexaco, "we have received a request for information from the U.S. attorney," said Jeff Moore, a spokesman for the San Ramon, Calif.-based company. "We are cooperating." San Antonio-based Valero Energy Corp. was a major buyer of Iraqi oil under the U.N. program. "We intend to cooperate fully with the investigation," spokeswoman Mary Rose Brown said. The U.N. program was designed to help provide food and medical supplies to Iraqis after the 1991 Persian Gulf War. Proceeds from limited oil sales were supposed to help ease the effect of U.N. sanctions against the regime of Saddam Hussein. Allegations of corruption surfaced when an Iraqi newspaper published a list of about 270 former government and U.N. officials, activists and journalists suspected of profiting from Iraqi oil sales under the food program. The investigative arm of Congress reported in March that Hussein's government skimmed $10.1 billion from the program from 1997 to 2002. The program was shut down last year." (Oil Firms' Records Subpoenaed: U.S. seeks files from Exxon, ChevronTexaco and Valero in probe of U.N. program in Iraq, Los Angeles Times, June 19, 2004).

Kazakhstan

Hersh, Seymour, *New York Times,* July 4, 2001, p. W1.

Hersch, Seymour, The Price of Oil; What Was Mobil Up To In Kazakhstan and Russia? *New Yorker*, July 9, 2001.

"A former senior Mobil Oil executive pleaded guilty on Thursday to tax evasion charges growing out of a government investigation into bribery schemes involving oil deals in Kazakhstan. J. Bryan Williams, 63, of McLean, Virginia, pleaded guilty to two counts of conspiracy and tax evasion. He stated in open court that Mobil did not know about his illegal activities. Mobil is now Exxon Mobil Corp. The charges to which he pleaded guilty state that he evaded taxes on more than $7 million in unreported income including a $2 million kickback he received for helping to negotiate Mobil's $1.05 billion purchase of a stake in Kazakhstan's huge Tengiz oil field in 1996... Williams had been responsible for Mobil's oil trading operations in Russia and other parts of the former Soviet Union, including the Republic of Kazakhstan. He had helped negotiate a final deal for the purchase of the company's stake in the Tengiz field. The charges against Williams stem from the government's probe of a bribery scheme in which a New York businessman has been indicted for allegedly funneling more than $78 million to Republic of Kazakhstan senior officials in return for lucrative oil consulting business. Prosecutors allege that the businessman James Giffen paid off two unidentified senior Kazakh officials in six separate oil transactions. One of the deals involved Giffen's consulting work on Mobil's purchase of the Tengiz stake. Giffen, who was a consultant to the former Soviet Union and Kazakhstan for many years, held various titles awarded by the Kazakh government, including counselor to the president... Theodore Wells, a lawyer representing Exxon Mobil, told reporters that the company is not a target of the probe." (Ex Mobil exec pleads guilty in Kazakhstan case , By Gail Appleson, Reuters, June 12, 2003).

Peru "The 350,000 acre Candamo Valley is considered one of the most biodiverse areas in the Peruvian Amazon. Because of the geography of the valley-it is surrounded by steep mountains and penetrated by one swift, narrow river-it is also one of the Amazon's least spoiled treasures. Whether the Candamo Valley remains this way will likely be determined in the near future by a US-based corporation, ExxonMobil. Four years ago, the Peruvian government granted Mobil and its partners Exxon and Elf (Mobil and Exxon have since merged) the right to explore for oil and natural gas in Candamo Valley and the surrounding region, an area known to the oil industry as Block 78. So far, Mobil has done only preliminary work in Candamo Valley, and its impact has been minimal. According to the Peruvian government, however, the results of Mobil's initial exploration indicate that the valley may hold large reserves of natural gas. Earlier this year, as part of its exploration contract, Mobil was required to release twenty-five percent of the land it holds within Block 78. Environmentalists-and, according to a recent poll, the majority of Peruvians-hoped that Mobil would give up its claims to the Candamo Valley, which would open the way for the valley to be incorporated into the nearby Bahuaja-Sonene National Park. Instead, Mobil retained its claim to explore for oil and gas in the valley. If ExxonMobil decides to develop the valley, the risks are numerous. Already, a hill near Mobil's exploratory well site collapsed, heightening fears that a chemical spill from the project might enter the nearby river and pollute the headwaters of the Amazon basin. According to Lauren Sullivan, RAN's Amazon Oil Campaigner, "Even if ExxonMobil uses the best available technology, oil and gas projects inevitably pose a threat to the health and long-term survival of an ecosystem." The threat is particularly troubling given the unique natural riches of the Candamo Valley. It is home to a multitude of animal species, including jaguars, pumas, tapirs, anaconda, armadillo, and the endangered giant otter. In the span of just two years, biologists studying the area have identified 663 vertebrate species, one new species of fish, and 426 species of birds. The valley is a complex, healthy, and intact ecosystem-"a complete Amazon in miniature," according to some scientists, capable of existing independent of what goes on in the rest of the Amazon." (Rainforest Action Network, Action Alert 150, ExxonMobil Threatens Pristine Amazon Valley, July 8, 2000, http://www.ran.org).

Russia: Energy companies including Amoco, Conoco, Exxon, and Marathon have each donated an average of $100,000 to the Russian Petroleum Legislation project, which is being administered by the University of Houston Law Center. The model legislation is to be presented to the Russian Parliament for debate and adoption; if passed it could govern these companies' activities in Russia (*Legal Times*, January 1992; *Multinational Monitor*, Mar. 1992, p. 4).

Thailand: Exxon is expanding its Sriracha oil refinery 55 miles southeast of Bangkok, Thailand, and its Singapore Refinery (*Exxon 1992 Annual Report*, p.16). In March 1994, a ship chartered by Esso Standard Thailand spilled 106,000 gallons of oil into the Gulf of Thailand near Sriracha (*Seattle Times*, Mar. 7, 1994, p. A6).

Exxon has petrochemical operations in Belgium, Malaysia, Russia, Korea, Italy, France, Germany, Hungary, Poland, and the Netherlands. There are lubrication oil facilities in Japan, Taiwan, Singapore, Tunisia, the U.S., and Mexico (*Exxon 1990 Annual Report*, p.23, *1991 Annual Report*, p.24, and *1992 Annual Report*, p.14-16).

United States: Exxon owns the Monterey Coal mine near Carlinville, Illinois; Carter Mining, which runs the Rawhide and Caballo surface coal mines near Gillette, Wyoming (*Exxon 1990 Annual Report*, p.25; *1992 Annual Report*, p.19). Exxon is also involved in uranium mining in Wyoming -- see Power Resources Inc.

Exxon holds a 400,000 acre uranium exploration lease on **Navajo** land (Winona La Duke, "Indigenous View" address, Nov. 13, 1995).

Exxon and Rio Algom have proposed a zinc and copper mine in northern **Wisconsin**; see the entry for Crandon Mining Company.

Venezuela:

A Tangle in Caracas for Exxon. By Simon Romero. New York Times, April 1, 2006

Exxon Mobil, the world's largest publicly traded oil company, is locking horns with Venezuela's government, which ratcheted up the pressure Friday on other American oil companies by taking steps to put more than two dozen coveted petroleum ventures under government control.

The latest move in the growing confrontation between big oil and the leftist government of President Hugo Chávez follows months of changes — from raising taxes to shifting control of projects to Venezuela's national oil company and welcoming state-controlled companies from Iran, China and India as exploration partners.

Few moves can rattle the executive suites of companies here in Houston. But one that did came late this week: a comment from Venezuela's energy minister, Rafael Ramírez, who essentially told Exxon that it was no longer welcome in Venezuela.

"We don't want them to be here, then," Mr. Ramírez said Thursday in a television interview in relation to Exxon's earlier decision to sell its stake in an oil field to Repsol of Spain rather than submit to a venture controlled by Petróleos de Venezuela. Venezuela's Congress approved measures this week that give the government control of 32 privately run oil fields.

If Venezuela needs Exxon, Mr. Ramirez said, "we'll call them."

Still, nothing is simple in the relationship between Venezuela and Exxon, which played a contentious role in the building of the country's oil industry. For all the rising tensions, the relationship between Exxon and Venezuela is more nuanced and intertwined than the harsh statements from Mr. Ramírez might suggest.

Exxon's chief executive, Rex W. Tillerson, said this month that he, at least for the moment, would avoid making any major investments in the country. Western oil companies fear a creeping nationalization of petroleum assets in Venezuela under Mr. Chávez's government, which is using its growing wealth from high oil prices to spread its influence around the rest of Latin America.

Those rising revenues from oil exports have also emboldened Mr. Chávez's government in its dealings with foreign energy companies.

Yet for all its difficulties in Venezuela, the placement of Exxon in the government's cross hairs may have more to do with symbolism than substance because of the way the company is perceived as a symbol of American influence in a country where anti-American sentiment is flourishing.

Exxon also stands out because of its signature method of dealing with governments in countries where it operates. Exxon, for example, has publicly criticized Venezuela's moves to increase royalties on projects in the country's Orinoco region, threatening last year to take the issue to international courts.

Venezuela has repeatedly been a challenging operating arena for Exxon, with the company taken off a $3 billion petrochemical project in February and a $5 billion project to export natural gas in 2002.

While Exxon and Venezuela continue to dance around each other, most other foreign oil companies operating there, including some of the largest energy concerns from the United States, Britain and France, have acquiesced to government requests for higher taxes, royalties and even fines.

José Vielma, the superintendent of Venezuela's tax authority, announced Friday that Chevron, the second-largest American oil company, after Exxon, had agreed to pay $50.2 million in back taxes, interest and fines. And BP of Britain will pay about $14 million, Mr. Vielma said.

Total of France made a similar outstanding tax payment of about $19 million this week after its administrative offices in Caracas were shut down by authorities for two days this month.

Lured by Venezuela's 77.2 billion barrels of conventional oil reserves, the largest outside the Middle East, these companies and others gained a foothold in Venezuela during a loosening toward foreign investment in the 1990's. And they have good reasons to try to hang on to it.

One often overlooked reason most companies have declined to fight the different measures squeezing their operations is that Venezuela remains a relatively friendly place to do business. And while Venezuela's politics might be risky, its geology is not, with its oil easy to find.

Moreover, Venezuela still exports the bulk of its oil to the United States, since no other country's refining system can better handle its high-sulfur crude.

In Washington, the Energy Department issued a report this month concluding that Venezuela still offered a more favorable investment climate for American companies than Saudi Arabia, the most pivotal member of OPEC, and Mexico, where longstanding nationalism and constitutional law prevent foreign companies from exploring for oil.

Some analysts say that foreign oil companies account for as much as half of Venezuela's estimated 2.5 million barrels of daily oil production, explaining in part why these companies are hesitant to leave Venezuela and why Caracas, so far at least, is hesitant to see them go.

International companies have shown particularly keen interest in Venezuela's heavy oil reserves, after witnessing the boom in Canada, which is getting billions of dollars in revenue from these once uneconomical resources.

"The relationship with foreign oil companies and Venezuela is actually relatively warm, even with some of the improvised and emotional declarations that have been made," said Mazhar al-Shereidah, a professor of petroleum economics at the Central University of Venezuela in Caracas. "I don't interpret some negative comments about Exxon as policy of the state."

So why has Exxon opted to publicly complain about its treatment in Venezuela, risking a government scolding? Perhaps because it can do so without much harm to its overall operations, unlike some of its competitors.

ConocoPhillips, for example, relies on Venezuela for about 7 percent of its oil production, while Venezuela accounts for just 1 to 2 percent of Exxon's output.

"Exxon is bigger than an Argentina or any medium-sized Latin American country," said Roger Tissot, director of markets and countries at PFC Energy, a consulting firm in Washington. "They're not going to be bullied by Venezuela, but neither is Venezuela going to be bullied by Exxon."

Exxon has been through upheaval before in Venezuela, helping to cement the nation's position as a major oil exporter in the 1920's through its Creole Petroleum subsidiary and deriving nearly half its dividend income from Venezuela by the 1950's.

That was before a previous populist government nationalized foreign oil assets in the 1970's. Exxon still has a 42 percent stake in the Cerro Negro oil field in Venezuela, which produces 120,000 barrels of oil a day.

Mark Boudreaux, an Exxon spokesman, said the company had "a long-term perspective of its activities in Venezuela and maintains a respectful relationship with the Ministry of Mines and Energy."

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Environmental Issues

Global Warming

ExxonMobil Contributed Five Percent of Global Greenhouse Gas Emissions in Last 120 Years, by William Baue, SocialFunds.com, Jan 30, 2004.
"Friends of the Earth calculates that ExxonMobil contributed five percent of the world's manmade carbon dioxide emissions over its 120-year history... FoE commissioned independent researchers in Spring 2003 to conduct the studies. The first study, written by Richard Heede of Colorado-based Climate Mitigation Services, estimates ExxonMobil's emissions of carbon dioxide and methane (another GHG) from the founding of ExxonMobil precursor Standard Oil Trust in 1882 to 2002. During this period, the combustion of ExxonMobil-produced fossil fuels resulted in the emission of approximately 20.3 billion tons of carbon, the equivalent of between 4.7 percent and 5.3 percent of global carbon dioxide emissions. The second study, written by Jim Salinger and Greg Bodeker of New Zealand-based National Institute of Water & Atmospheric Research (NIWA), runs the results of the first study through the well-respected and widely-used "Bern CC" climate model. This process extrapolates the environmental implications of GHG emissions. This study finds that ExxonMobil's emissions have contributed between 3.4 percent and 3.7 percent of total attributable temperature change since 1882, and 2 percent of the sea level rise."

Activists' hands tied for 7 years, by Jonathan Birchall, Financial Times, Oct 24, 2004.
Some of the protesters wore tiger suits; others wore brightly coloured T-shirts under business suits. They entered the front lobby or climbed on the roof of ExxonMobil's headquarters in Irving, Texas. The protest, involving more than 30 members of Greenpeace, the environmental activist group, was aimed at the world's largest oil company and its policies on global warming.
Now, almost 18 months later, Greenpeace has signed a court agreement that will prevent its supporters from staging any similar protests against ExxonMobil, not only in Texas but anywhere in the US, for seven years.
The agreement is believed to be the first of its kind involving a US company and a protest group. While it stems from a bitter and long-running global campaign by Greenpeace against ExxonMobil, it could also serve as a precedent for other companies with operations in the US - from Wal-Mart to Huntingdon Life Sciences - that face the challenge of "direct action" by protest groups.
Exxon said it was "satisfied" with the consent judgment by a Texas judge, which covers corporate property, filling stations and any event sponsored by the company or involving company officers. Any breach would bring the automatic risk of fines and imprisonment.
ExxonMobil has previously secured court injunctions against Greenpeace protesters in cases in the UK and Europe involving action and blockades of its facilities. But such nationwide injunctions are extremely rare in the US, with previous case law focused on anti-abortion protests and union disputes.
"It's certainly unusual," says Erwin Cherminsky, professor of law at Duke University in North Carolina and a specialist in freedom of speech issues. "But this is an injunction that doesn't prohibit that which the law does not already prohibit."
Robert O'Neil, director of the Thomas Jefferson Center for the Protection of Free Expression, says he finds the scope of the injunction "fairly drastic". In particular, he says, language dealing with perceived threats to people entering or leaving facilities goes beyond standards set in disputes over anti-abortion

protests. "You don't enjoin every possible variety of expressive act unless you're clear that no other remedy is available," he says.
The agreement is a blow for Greenpeace, which has made non-violent direct action a key element in its campaign strategy. Lisa Finaldi, campaigns director at Greenpeace USA, says the group agreed to the settlement in part to avoid an indefinite ban on action against ExxonMobil. "We've been around for 30 years, and we can handle a seven-year ban, but we couldn't handle a lifetime ban against one of the largest companies in the world," she says.
Greenpeace says it was also concerned about more serious felony charges being laid over a hand injury sustained by a 67-year-old security guard, although Exxon has agreed not to press for prosecution.
However, the pre-emptive scope of the agreement has troubled some civil rights advocates. Julian Bond, a veteran of the black civil rights struggle of the 1960s and chairman of the National Association for the Advancement of Colored People, has accused Exxon of a "heavy-handed" attack that was an "assault on the time-honoured tradition of free speech".
"What would have happened [in the 1960s] if the bus companies in Alabama had taken out injunctions against the civil rights protests by the Southern Christian Leadership Conference?" asks Elliott Schrage, who lectures on business and human rights issues at Columbia University.
Exxon counters: "The Greenpeace break-in should not be mistaken as following 'the right of non-violent protest' . . . Greenpeace breaks laws not because its members are subject to unjust laws but because Greenpeace has failed by democratic means to get its way."
The company also argues that its response was justified in the aftermath of the terror attacks of September 11 2001. The incident occurred, it says, "when the country was on level orange alert . . . The current climate makes Greenpeace's activities directed at ExxonMobil all the more irresponsible and dangerous."
Fred Garcia, founder of Logos Consulting, a US-based crisis management consultancy, says a change in corporate attitudes towards direct action is not surprising in the post-September 11 world. "I wouldn't be at all surprised to see a more robust approach, with companies seeing this kind of thing as a security issue rather than a business reputation issue."
Greenpeace leaders say the ExxonMobil case coincides with actions by the US government that they believe send a message that this kind of direct action against companies is not acceptable in the current climate. Applying a rarely used law of 1872, the Department of Justice sought to prosecute Greenpeace - albeit unsuccessfully - in a federal court in Miami this year over a protest in which activists boarded a freighter allegedly carrying a shipment of mahogany from the Amazon region.
"The US government, not the city or the state, was seeking to curtail the entire organisation. I think this gives quite a clear signal, whether to industry or to others, that people who take direct action are fair game," says Sarah Burton, Greenpeace International's legal consultant.
In another incident earlier this year, the US attorney in Pittsburgh initially laid federal criminal charges against Greenpeace activists who scaled a 700ft (213m) smoke stack at a power station run by Allegheny Energy, using laws aimed at the threat of sabotage or terrorism. The federal charges were subsequently dropped; a less serious state case against the protesters is continuing.
Greenpeace says it will continue its campaign against ExxonMobil within the limits set by the Texas court. At this year's Exxon annual general meeting the group was already subject to a temporary court injunction of similar scope. It responded by projecting images of the effects of global warming on to the side of the building in Dallas that was hosting the meeting. "In the US we have restrictions and we believe we can live by them," says Ms Finaldi.

Some Like It Hot - Forty public policy groups have this in common: They seek to undermine the scientific consensus that humans are causing the earth to overheat. And they all get money from ExxonMobil. By Chris Mooney, Mother Jones, April 22, 2005.
40 ExxonMobil-funded organizations received more than $8 million between 2000 and 2003 including:
Tech CentralStation.com $95,000 in 2003
American Enterprise Institute $960,000
AEI-Brookings Institution Joint Center for Regulatory Studies $55,000
Competitive Enterprise Institute $1,380,000
Committee for a Constructive Tomorrow $252,000
Center for the Defense of Free Enterprise $40,000 in 2003
ExxonMobil plans to donate $100 million to Stanford University's Global Climate and Energy Project
ExxonMobil's lobbying expenditures were $55 million over the past six years
Advancement of Sound Science Center $40,000 between 2000-2003
Free Enterprise Action Institute $50,000
George C. Marshall Institute $310,000
Fraser Institute $60,000 in 2003
Frontiers of Freedom $612,000
Center for Science-based Public Policy $427,500
Heritage Foundation $340,000
National Center for Policy Analysis $205,000 between 2000-2003

'Denial lobby' turns up the heat: The vocal minority sceptical of the threat of global warming are now targeting the UK. The Observer, March 6, 2005.
... The UK-based Scientific Alliance, which organised the meeting of sceptics in London last month, recently published a joint report with America's George C Marshall Institute, a think-tank which has received donations from Exxon.
The report claimed to undermine the ories of climate change. Exxon has also contributed $50,000 to the International Policy Network (IPN), headquartered in London. Key personnel at the IPN have connections with the Institute of Economic Affairs, Britain's leading conservative think-tank, as well as the Competitive Enterprise Institute in the US, whose global warming expert is Myron Ebell, President Bush's climate adviser. The IPN gets much of its funding from America. Last year, it released a report claiming that climate change was 'a myth'. All the think-tanks strongly deny that their research findings are influenced by corporate donors...

Climate-change fears prompt CIS rebellion at Exxon. By Terry Macalister. The Guardian, May 24, 2005.
A major British institutional investor will tomorrow oppose the re-election of Lee Raymond as chief executive of ExxonMobil on "ethical grounds" at its annual meeting.
The challenge will be launched by the Co-operative Insurance Society (CIS) which says the world's biggest stock-listed oil company talks down links between man-made CO_2 emissions and climate change. Exxon, under Mr Raymond's leadership, has lobbied against the Kyoto protocol on greenhouse gases and against the US government signing the treaty, the CIS believes.
The investor, which holds $25m worth of Exxon stock, is also opposed to Mr Raymond's double role as chairman and chief executive of the company which trades in the UK under the Esso banner. "We are taking this unprecedented action of opposing the election of a chief executive as we have serious concerns on their management of climate change and the leadership provided on this issue," said Ian Jones, head of responsible investment at CIS.
The corporate reputation of Exxon is being damaged by the "head in the sand" approach of Mr Raymond in the face of evidence that human activity is a significant contributor to climate change and extreme weather, argues the CIS.
"In the long term, their reluctance to invest in renewables generation now indicates an aversion to managing this gravest of all environmental issues," it added.

And it claims to be better-placed than many to comment on this issue because it has witnessed the rising insurance claims coming through due to global warming. Environmental flooding alone has led to a 500% increase in claims over the past decade which now total more than £1.5m a year, the CIS says. Exxon, which also faces a Stop Esso petrol campaign from environmentalists, has always said that its critics misunderstood its position.
"We recognise that the risk of climate change and its potential impacts on society and ecosys tems may prove to be significant, and these are issues we take seriously," an Exxon spokesman said last night.
"While studies must continue to better understand these risks and possible consequences, we will continue to take actions and work with others on ways to bring scientific and technological expertise to energy-related solutions that are technically and economically viable," it added.

Revealed: how oil giant influenced Bush: White House sought advice from Exxon on Kyoto stance. By John Vidal. The Guardian, June 8, 2005.
President's George Bush's decision not to sign the United States up to the Kyoto global warming treaty was partly a result of pressure from ExxonMobil, the world's most powerful oil company, and other industries, according to US State Department papers seen by the Guardian.
The documents, which emerged as Tony Blair visited the White House for discussions on climate change before next month's G8 meeting, reinforce widely-held suspicions of how close the company is to the administration and its role in helping to formulate US policy.
In briefing papers given before meetings to the US under-secretary of state, Paula Dobriansky, between 2001 and 2004, the administration is found thanking Exxon executives for the company's "active involvement" in helping to determine climate change policy, and also seeking its advice on what climate change policies the company might find acceptable.
Other papers suggest that Ms Dobriansky should sound out Exxon executives and other anti-Kyoto business groups on potential alternatives to Kyoto.
Until now Exxon has publicly maintained that it had no involvement in the US government's rejection of Kyoto. But the documents, obtained by Greenpeace under US freedom of information legislation, suggest this is not the case.
"Potus [president of the United States] rejected Kyoto in part based on input from you [the Global Climate Coalition]," says one briefing note before Ms Dobriansky's meeting with the GCC, the main anti-Kyoto US industry group, which was dominated by Exxon.
The papers further state that the White House considered Exxon "among the companies most actively and prominently opposed to binding approaches [like Kyoto] to cut greenhouse gas emissions".
But in evidence to the UK House of Lords science and technology committee in 2003, Exxon's head of public affairs, Nick Thomas, said: "I think we can say categorically we have not campaigned with the United States government or any other government to take any sort of position over Kyoto."
Exxon, officially the US's most valuable company valued at $379bn (£206bn) earlier this year, is seen in the papers to share the White House's unwavering scepticism of international efforts to address climate change.
The documents, which reflect unanimity between the company and the US administration on the need for more global warming science and the unacceptable costs of Kyoto, state that Exxon believes that joining Kyoto "would be unjustifiably drastic and premature".
This line has been taken consistently by President Bush, and was expected to be continued in yesterday's talks with Tony Blair who has said that climate change is "the most pressing issue facing mankind".
"President Bush tells Mr Blair he's concerned about climate change, but these documents reveal the alarming truth, that policy in this White House is being written by the world's most powerful oil company. This administration's climate policy is a menace to humanity," said Stephen Tindale, Greenpeace's executive director in London last night.
"The prime minister needs to tell Mr Bush he's calling in some favours. Only by securing mandatory cuts in US emissions can Blair live up to his rhetoric," said Mr Tindale.
In other meetings documented in the papers, Ms Dobriansky meets Don Pearlman, an international anti-Kyoto lobbyist who has been a paid adviser to the Saudi and Kuwaiti governments, both of which have followed the US line against Kyoto.
The purpose of the meeting with Mr Pearlman, who also represents the secretive anti-Kyoto Climate Council, which the administration says "works against most US government efforts to address climate change", is said to be to "solicit [his] views as part of our dialogue with friends and allies".
ExxonMobil, which was yesterday contacted by the Guardian in the US but did not return calls, is spending millions of pounds on an advertising campaign aimed at influencing politicians, opinion formers and business leaders in the UK and other pro-Kyoto countries in the weeks before the G8 meeting at Gleneagles.

Other Issues

Gas Station Lawsuit. Reuters, Feb 20, 2001.

Exxon Corp. cheated 10,000 station owners out of $500 million over a 12-year period by inflating wholesale fuel prices, a federal jury ruled... (AP, Feb 20, 2001). Exxon Mobil was ordered to pay $500 million in compensatory damages to about 10,000 dealers who claimed the company cheated them in a gasoline discount program, the plaintiffs' lawyer said on Tuesday. A U.S. District Court jury in Miami issued the judgement following a lengthy trial after a first attempt to try the class-action lawsuit ended in mistrial in 1999... With interest, the award will come to about $1 billion. The lawsuit alleged that Exxon, before its 1999 merger with Mobil, cheated about 10,000 service station owners in 36 states out of promised discounts between 1982 and 1994... Under the program, retail customers who bought gasoline with cash were charged 4 cents a gallon less than those paying with credit cards. The dealers said they were to receive a discount of 1.7 cents a gallon on the gasoline they bought wholesale from Exxon. They said they suspected for years that they had not been receiving the discount but could not tell from Exxon's invoices...

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Exxon Mobil Fights Billion-Dollar Verdicts, States Have to Wait. Bloomberg, March 2, 2007.

Exxon Mobil Corp. was ordered by juries twice in the past seven years to pay Alabama almost $3.6 billion in drilling royalties.

The state is still waiting for the money. So are Alaska and Louisiana, which also won verdicts against the world's biggest publicly traded oil company years ago.

Exxon Mobil's appeals have reduced the judgments it faces by billions of dollars and put the Irving, Texas-based company in a position to argue for more favorable legal precedents, said University of Richmond law Professor Carl Tobias. The original $5.29 billion Alaska verdict has been cut twice.

``They got $2 billion shaved from that award," Tobias said, referring to litigation over the 1989 Exxon Valdez oil spill, which dumped 11 million gallons of crude into Alaska's Prince William Sound. ``That speaks volumes on why they may want to keep litigating."

The appeals are a fight the company can afford, even if it eventually had to pay the Alabama and Alaska verdicts. Exxon Mobil's net income last quarter was $10.3 billion. It earned $39.5 billion in 2006, breaking the U.S. record of $36.1 billion it set a year earlier.

Mark Boudreaux, an Exxon Mobil spokesman, declined to comment on the company's litigation costs.

In 2000 and at a 2003 retrial, jurors found Exxon Mobil fraudulently underpaid Alabama for gas-drilling rights in Mobile Bay. Exxon Mobil asked the Alabama Supreme Court on Feb. 6 to reverse the verdict. The court is likely to decide this year.

$4.5 Billion Bond

To satisfy rules on appealing the Alabama verdict, the company was able to post a $4.5 billion bond. The likelihood of its paying the Alabama judgment is ``remote," the company said in a 2005 regulatory filing.

Exxon Mobil set aside $5.4 billion in a letter of credit in case of an eventual payment of the damages awarded by a federal jury in 1994 over the Exxon Valdez oil spill, according to the filing.

``Alabama has a long way to go," said Dave Oesting, one of the lead attorneys representing more than 30,000 Alaskans who sued Exxon Mobil.

Appealing a $112 million punitive award imposed six years ago in a Louisiana land-contamination case, put the company in a better position to challenge the entire verdict.

High Court Ruling

The U.S. Supreme Court on Feb. 26 ordered a lower court to reconsider the May 2001 verdict in light of a Feb. 20 high-court ruling that bans punishing companies for injuries suffered by parties who aren't part of the case. Previously, some juries punished companies for the total impact of their bad conduct, nationally or even globally.

In the Alabama case, Exxon Mobil also may be sending a message to other coastal states that might see the state's award and consider filing their own suits, said Jim Vroman, the environmental litigation practice co-chairman for Jenner & Block, a Chicago-based firm.

Exxon raised two challenges to the Alabama award, company lawyer Dave Boyd said.

For one, it argues the state high court should follow the logic it applied in 2004 in a case Alabama brought against Hunt Petroleum Corp., Boyd said. Hunt, based in Dallas, sent Alabama monthly royalty reports stating what it owed. The state didn't rely on those reports to determine what Hunt should pay, so Alabama wasn't misled, the court said.

Exxon Mobil used the same leasing contract with the state as Hunt, and the same facts apply, Boyd said. Exxon Mobil submitted its reports and the state rejected them, using its own calculations, he said.

Exxon also can invoke a 2003 U.S. Supreme Court decision that found that a 145-to-1 ratio of punitive to compensatory damages was unconstitutional because it was excessive.

A Second Jury

The second Alabama jury awarded $63 million in compensatory damages, almost $40 million in interest on the unpaid royalties and $11.8 billion in punitive damages, the third-biggest punitive award ever after two involving the tobacco industry. The trial judge reduced the punitive damages to $3.5 billion five months later.

The jury attributed $23 million of the compensatory award to fraud and the rest to breach of contract. All the punitive damages were levied to punish the fraud, creating a ratio of about 150-to-1.

Constitutionally Excessive

In the Exxon Valdez oil spill case, the Ninth U.S. Circuit Court of Appeals in San Francisco agreed that the jury's punitive damages were constitutionally excessive and ordered the award cut. Exxon appealed again, and in December, the appeals court cut it again, by $2.5 billion. Exxon is asking the court to hear the case yet again for more reductions.

Oesting's clients won $287 million in compensation for damage to their property from the Valdez spill, about one-eighth the current punitive award.

Exxon Mobil's Boudreaux said the company paid almost $300 million to 11,000 residents within a year of the spill, before the 1994 trial. Thus, he said, the company had to pay only a court-ordered $25 million more to satisfy the jury's compensatory award. Punitive damages aren't warranted, he said.

The case is: Exxon Corp. v. Department of Conservation and Natural Resources, No. 1031167, Alabama Supreme Court.

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Campaigns & Links

Campaign ExxonMobil church-based shareholders and environmental organizations concerned about Exxon's approach to global warming.

ExxposeExxon coalition to educate and activate Americans about oil drilling in the Arctic National Wildlife Refuge, global warming, and America's oil dependence. Includes Alaska Coalition, Alaska Oceans Program, Alaska Wilderness League, Defenders of Wildlife, Friends of the Earth, Greenpeace, MoveOn.org, National Environmental Trust, Natural Resources Defense Council, Sierra Club, U.S. Public Interest Research Group, and Union of Concerned Scientists

Rainforest Action Network has several campaigns concerning ExxonMobil operations.

Project Underground monitors oil and gas and mining impacts.

ExxonSecrets.org: How Exxon Funds the Climate Change Sceptics from Greenpeace UK.

Too Slick: Stop ExxonMobil's Global Warming Misinformation Campaign and Global Warming: Undo It from Environmental Defense.

Syncrude

Syncrude Oil Sand Mine, Alberta, Canada

Syncrude – a joint venture of oil and gas companies mining the Athabasca oil sands – holds eight leases covering 258,000 hectares, 40km north of Fort McMurray. Ranked as the world's largest producer of synthetic crude from oil sands – and the biggest single source in Canada – nearly 95 million barrels of the company's "Syncrude Sweet Blend" were shipped in 2006.

EXPAND IMAGE

The Mildred Lake facility. The yellow structures in front of the tailings pond are sulphur stockpiles; the extraction plant is just to the right of this photograph and most of the mine lies to the left.

The consortium runs three separate mines – the original Base Mine and the North Mine, both near to Mildred Lake on lease 17, together with the Aurora mine some 35km to the north. The upgrader facility, also located on lease 17, treats oil sands from all three.

"Ranked as the world's largest producer of synthetic crude from oil sands, nearly 95 million barrels of the company's "Syncrude Sweet Blend" were shipped in 2006."

The participants are Canadian Oil Sands Trust, Imperial Oil Resources (Exxon), Petro-Canada Oil and Gas, Conoco Phillips Oil Sands Partnership, Nexen, Mocal Energy and Murphy Oil, trading being under the individual partners, rather than directly as Syncrude.

EXPAND IMAGE

P&H electric cable shovel loads a CAT 797 haul truck.

Having produced its first synthetic crude oil in 1978, the operations have been expanded on several occasions, with the most recent phase – the Syncrude 21 Stage 3 expansion – coming on-stream in 2006 at a capital cost of CA$8.55bn. This increased potential production capacity to around 350,000 barrels per day (bbl/d) and further expansions are planned for the future to enable the targeted 500,000bbl/d to be achieved by 2015.

GEOLOGY AND RESERVES

EXPAND IMAGE

The oil sands typically consist of around 10% bitumen contained in a mixture of 83% silica sand, 4% water and 3% fluvial clay, in a layer 40–60m thick lying beneath clay, sand and a surface layer of muskeg (water-logged peat). In the area to the north of Fort McMurray, the overburden is relatively shallow – often less than 75m – which makes surface mining possible.

The Athabasca resource is thought to have come about as a result of the north-easterly migration of light crude from southern Alberta driven by the same geological forces that formed the Rocky Mountains. Over time the original crude was then gradually transformed into more viscous bitumen and the deposits accumulated in incised valleys within Devonian strata, which were subsequently modified by the rising sea levels of the early Cretaceous.

Wood bison – over 300 live in habitats developed by Syncrude in partnership with the Fort McKay First Nation. The company plans to leave regenerated lands once mining ends.

Syncrude's mining activities concentrate on the McMurray Formation, which is a lower Cretaceous oil-bearing quartz sandstone, underlying the marine clays of the Clearwater Formation and overlying the Devonian limestone of the Beaverhill Lake Group.

The original mine areas are mainly exhausted now, and have been replaced by the current North and Aurora mines. The company is the largest single holder of oil sands leases in the Fort McMurray area(lease holdings 10, 12, 17, 22, 29, 30, 31 and 34), with proven reserves of over 2,700Mbbl of oil within potential resources that could reach 9,000Mbbl. Typically, 2t of oil sand are needed to produce 1bbl of synthetic crude oil.

EXPAND IMAGE

The oil sand feed to the cyclofeeder (North mine).

SURFACE MINING

Syncrude's original mining method, using draglines and bucket-wheel reclaimers, has largely been replaced by shovel-and-truck mining, which gives greater flexibility. The company has a fleet of P&H 4100 mining shovels supported by Terex/O&K RH400 hydraulic excavators. Its truck fleet consists mainly of Caterpillar 797 haulers. Current production is around 500,000t/d of oil sand, plus a similar tonnage of waste.

Run-of-mine oil sand, dug directly from the pit faces, is hauled to in-pit crushing stations, and is then slurried and pumped to the bitumen extraction plants. Developed by Syncrude, this hydrotransport system has revolutionised materials handling in the district's mining operations.

EXPAND IMAGE

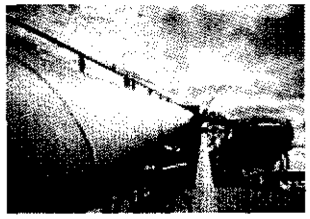
Inside a flotation cell at the Aurora extraction facility.

BITUMEN EXTRACTION

Syncrude separates the bitumen from the sand using a warm-water extraction process. at the Mildred Lake facility, which processes oil sand together with oil sand slurry from the North mine and Aurora froth, which arrives via the hydrotransport system.

Oil sand is mixed with hot water and caustic soda in tumblers, forming a slurry and conditioning it for bitumen separation. It is subsequently discharged onto vibrating screens where large material is rejected and the blended slurry is fed into four primary separation vessels – bitumen froth floating to the top, while the sand sinks and settles.

EXPAND IMAGE



The hydrotransport pipeline leads to the primary separation vessel (Aurora).

The middlings are pumped to tailings oil recovery vessels and the resulting froth recycled to the primary separation vessels, then processed through a secondary flotation plant before being combined with the primary bitumen froth to be de-aerated, heated and further treated.

The mixing that takes place during slurry transport from the mine to the plant is sufficient to begin the separation process, which recovers over 90% of the bitumen resource. The resulting bitumen froth then forms the feed for upgrading to synthetic crude oil.

RAW BITUMEN UPGRADING

Raw bitumen is upgraded to synthetic crude by either vacuum distillation or in a coking process that removes part of the carbon content of the feedstock, producing hydrocarbon gases, naphtha and gas oils. An alternative route is to add hydrogen to the feedstock, so reducing the tonnage of surplus petroleum coke produced. Further treatment and blending gives Syncrude's principal product, Syncrude Sweet Blend crude oil, a high-naphtha, low-sulphur synthetic crude which is then sent to refineries in both Canada and the United States.

EXPAND IMAGE

Komatsu Heavy Hauler (North mine).

PRODUCTION

The Base Mine capacity is 7,250t/hour, North 7,500t/hour and Aurora 11,000t/hour; the processing capacity at Mildred Lake stands at 230,000 barrels/day. In 2006, 94.25 million barrels of synthetic crude were produced. Syncrude currently provide 15% of Canada's petroleum needs and have recently developed a new improved product called Syncrude Sweet Premium.

ENVIRONMENT

The development of the oil sands industry in northern Alberta has inevitably had a major impact on the natural environment, which consists mainly of boreal forest. Sand tailings from the separation process have been stockpiled, while fine tailings are retained in large ponds.

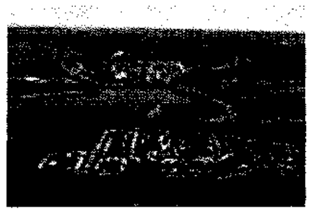
"Syncrude's SO2 reduction project is expected to be operational in 2009, with the goal of cutting emissions by 60%."

EXPAND IMAGE

The Syncrude plant site.

Syncrude has developed a system for stabilising the surface of these ponds that enables revegetation to begin, and some 3,000ha of the company's older waste piles have been returned to pasture and forest. Syncrude has also successfully introduced a herd of native wood bison to its reclamation areas, managed in conjunction with a local First Nations community.

EXPAND IMAGE



Aerial view of Fort McMurray, showing the Grant MacEwan bridge over the Athabasca River.

Current practice is for overburden and tailings to be returned to worked-out pit areas as part of the land reclamation process, so reducing the environmental impact of the mining operations.

THE FUTURE

The next expansions – currently only at the conceptual planning phase – are the Stage 3 de-bottleneck and Stage 4. If approved, the former will optimise the potential of Stage 3, which was commissioned in 2006, to enable the full increase in production to be achieved, while the latter will extend upgrading capacity, by providing a fourth coker and helping develop undeveloped leases. In addition, Syncrude's SO_2 reduction project is expected to be operational in 2009, with the goal of cutting emissions by 60%.

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SPECIFICATIONS

FEATURED SUPPLIERS

- **FLSmidth Dorr-Oliver Eimco - Flotation, Agglomeration and Filtering**
- **Flygt - Reliable Fluid Handling Solutions for the Mining Industry**
- **Mine Cable Services - High-Voltage Cable Repair, Connection, Coupling and Handling Systems**

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- North Dakota System
- Toledo Pipeline
- Spearhead Pipeline
- Mid-Continent System
- Patoka Storage
- **Liquids Joint Ventures**

GAS TRANSPORTATION
GAS DISTRIBUTION
EXPANSION PROJECTS
OWNERSHIP MAP

You are here: Enbridge US > About Us > Our Businesses > Liquids Pipelines > Liquids Joint Ventures

Liquids Joint Ventures

In addition to our many wholly owned pipelines and facilities, we have interest in several strategic liquids pipelines:

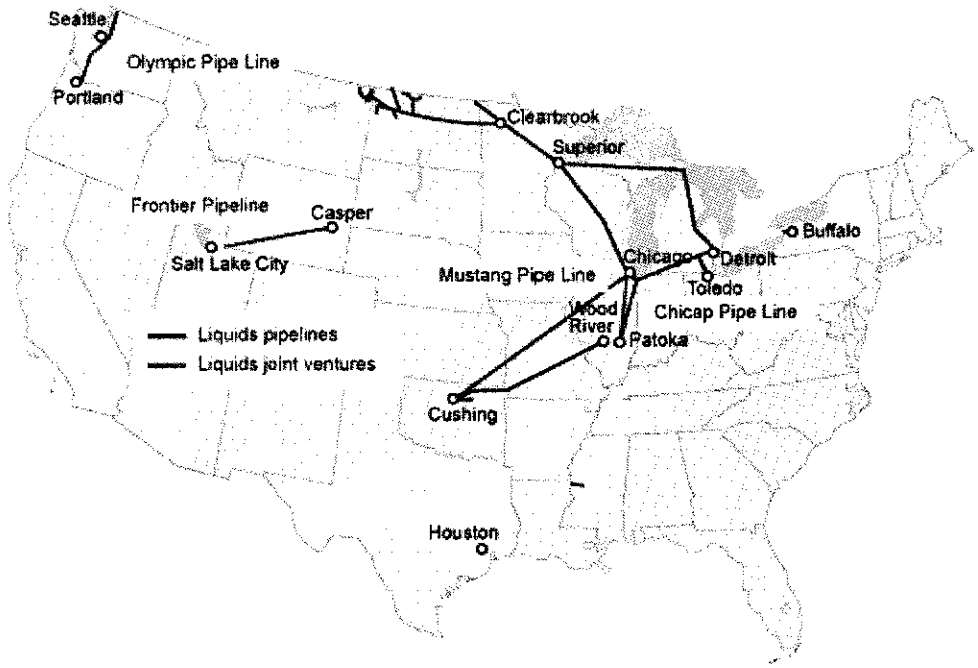
Mustang Pipe Line: Enbridge (U.S.) Inc. owns 30 percent of Mustang Pipe Line, a Delaware general partnership. The pipeline is co-operated by ExxonMobil, a joint venture partner, and consists of 215 miles of pipeline with a capacity of 100,000 barrels per day (bpd). Mustang receives crude oil from the Enbridge Energy Partners, L.P. Lakehead System in the Chicago area and delivers to the Patoka, Ill., area. It is a common carrier system with tariff rates regulated by the Federal Energy Regulatory Commission (FERC).

Chicap Pipe Line: Chicap Pipe Line transports crude oil from the Patoka, Ill., pipeline hub to the Chicago area. Enbridge Inc. has a 22.8 percent interest in Chicap, which is partner-operated and consists of 205 miles of pipeline with a capacity of 360,000 bpd. Chicap is a common carrier system with tariff rates regulated by FERC.

Frontier Pipeline: Frontier Pipeline, a 289-mile system in Utah and Wyoming, is operated by the Anschutz Corporation and has a capacity of 62,200 bpd. Enbridge Energy Company, Inc. owns 77.8 percent of Frontier, a Wyoming general partnership. The pipeline is a common carrier with tariff rates regulated by FERC.

Olympic Pipe Line: Olympic Pipe Line is the largest refined products pipeline in the state of Washington, transporting approximately 290,000 bpd of gasoline, diesel and jet fuel from Blaine, Wash., to Portland, Ore. The system consists of 400 miles of 6- to 20-inch diameter pipe, a 500,000 barrel products terminal, nine pumping stations and 21 delivery points or facilities. Enbridge Energy Company, Inc. has a 65 percent interest in Olympic. For more information about Olympic Pipe Line, go to www.olympicpipeline.com.

Click on "Ownership Map" to the left for detailed pipeline ownership information.



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